

## Message Text

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44

ACTION NEA-10

INFO OCT-01 ISO-00 EB-07 OES-06 SS-15 AGR-05 LAB-04 HEW-04

HUD-01 DOTE-00 TRSE-00 AID-05 COME-00 NAS-01 NSF-01

OPIC-03 FAA-00 ERDA-05 NSC-05 L-03 /076 W

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R 221003Z APR 76

FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC 6634

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E.O. 11652: N/A

TAGS: EFIN, USIRJC, EAL, IR

SUBJ: IRANIAN TAX REFORM AND US/IRAN TAX TREATY NEGOTIATIONS

REFS: (A) 75 TEHRAN 3501, (B) 75 TEHRAN A-131

1. DURING APRIL 19 CALL ON DR. AHMAD KOOROS, UNDERSECRETARY FOR ECONOMIC AFFAIRS IN THE MINISTRY OF ECONOMIC AFFAIRS AND FINANCE (MEAF), EMBOFF AGAIN QUERIED CONCERNING STATUS OF PROMISED TAX REFORM. AS REPORTED REF B, MEAF MINISTER ANSARY IN JUNE 1975 SAID A TAX REFORM WOULD BE INTRODUCED BEFORE THE END OF THAT IRANIAN YEAR WHICH ENDED MARCH 20. INQUIRIES LAST FALL PRODUCED INFORMATION THAT THE INTER-MINISTERIAL TAX COMMITTEE WAS STILL AT WORK. NOW, WITH SELF-APPOINTED DEADLINE PAST, DR. KOOROS SAYS HIS PERSONAL VIEW IS THAT THE EARLIEST THE LEGISLATION WILL BE INTRODUCED IS BY THE AUGUST RECESS OF THE MAJLIS. HE ATTRIBUTES DELAYS MAINLY TO SORTING OUT THE LABYRINTH OF LAWS WHICH IN TURN REFLECT MANY DIFFERENT LEGAL CONCEPTS. OBJECTIVE IS TO ACHIEVE SIMPLICITY IN CODE AND FORMS. WHILE READERS MAY DISAGREE, HE SAID US FORMS MAY SERVE AS A NORM FOR SIMPLICITY. KOOROS REITERATED LINKAGE OF IRANIAN TAX REFORM TO IRAN/US BILATERAL TAX TREATY NEGOTIATIONS; THUS FURTHER NEGOTIATIONS WOULD NOT APPEAR FEASIBLE UNTIL LAST QUARTER OF YEAR AT EARLIEST.

2. IN PAST YEAR GOI HAS ACHIEVED CONSIDERABLE SUCCESS IN

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RECEIPTS FROM TAXATION THROUGH BETTER ENFORCEMENT AND AS A

BY-PRODUCT OF THE INDUSTRIAL DIVESTITURE OF SHARES TO WORKERS  
PROGRAM WHICH BASIS SHARE VALUATION ON TAXABLE INCOME OVER  
RECENT YEARS, FORCING TAX PAYMENTS. SUMMARY PRELIMINARY FIGURES  
PROVIDED BY KOOROS, WHICH EMBASSY INTENDS TO CONFIRM AND AMPLIFY  
WITH PLAN AND BUDGET ORGANIZATION, SHOW RECEIPTS FROM ALL TAXES  
IN THE IRANIAN YEAR ENDING MARCH 20 OF 272 BILLION RIALS  
(\$3.9 BILLION), UP 73 PERCENT OVER THE PREVIOUS IRANIAN YEAR  
1353. THUS RECEIPTS EXCEEDED ESTIMATED TAX INCOME BY 26 PERCENT  
AND TAX REVENUE REPRESENTED ABOUT 15.2 PERCENT OF REVENUE IN  
THE GENERAL BUDGET VERSUS 11.2 IN THE PREVIOUS YEAR.  
HELMS

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## Message Attributes

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**Capture Date:** 01 JAN 1994  
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**Disposition Date:** 28 MAY 2004  
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